

HOUSE No. 2606

By Mr. Kaufman of Lexington, petition of Jay R. Kaufman and others relative to cost of living adjustments for retired public employees of the Commonwealth. Public Service.

The Commonwealth of Massachusetts

PETITION OF:

Jay R. Kaufman	Robert K. Coughlin
Edward M. Augustus, Jr.	James E. Timilty
Michael R. Knapik	Karyn E. Polito
Bruce E. Tarr	Douglas W. Petersen
William M. Straus	William Smitty Pignatelli
Mary S. Rogeness	Louis L. Kafka
Joyce A. Spiliotis	Jennifer M. Callahan
Todd M. Smola	Robert M. Koczena
John P. Fresolo	Walter F. Timilty
John J. Binienda	

In the Year Two Thousand and Seven.

AN ACT RELATIVE TO COST OF LIVING ADJUSTMENTS FOR RETIRED PUBLIC EMPLOYEES OF THE COMMONWEALTH.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 22C of Chapter 32 of the General Laws, as
2 appearing in the 2004 Official Edition, is amended by striking out in
3 line 29 the number “23” and inserting in place thereof the following
4 number:— 26.

1 SECTION 2. Section 22D of said Chapter 32, as appearing in the
2 2004 Official Edition, is amended by inserting in line 29 after the
3 word “approve” the following words:—provided further, however,
4 that in the event that a system has accepted the provisions of para-
5 graph (j) of Section 102, the funding schedule, and any updates
6 thereto, shall be designed to reduce the unfunded actuarial liability
7 of said system to zero as of such year, that may be subsequent to
8 June 30, 2028, as the commission shall approve.

1 SECTION 3. Paragraph (c) of Section 102 of said Chapter 32, as
2 appearing in the 2004 Official Edition, is amended by striking out in
3 lines 32, 36 and 43 the dollar amount “\$12,000” and inserting in
4 place thereof the following dollar amount:—\$16,000.

1 SECTION 4. Section 103 of said Chapter 32 is amended by
2 inserting the following new paragraph:—

3 (j) Notwithstanding the provisions of paragraph (a) to the con-
4 trary, the board of any system may, by accepting the provisions of
5 this paragraph as hereinafter provided, elect to pay a cost-of-living
6 adjustment on a base amount greater than \$12,000. Acceptance of
7 this paragraph shall be by a majority vote of the board of such
8 system, subject to the approval of the legislative body. For the pur-
9 pose of this paragraph, “legislative body” shall mean, the city
10 council in accordance with its charter, in the case of a town, the town
11 meeting, in the case of a county or region, the county or regional
12 retirement board advisory council, in the case of a district, the dis-
13 trict members, and, in the case of an authority, the governing body.
14 Acceptance of this paragraph shall be deemed to have occurred upon
15 the filing of the certification of such vote with the commission. A
16 decision to accept the provisions of this paragraph may not be
17 revoked. Notwithstanding the provisions of subdivision (6A) of
18 Section 22 or Section 22D to the contrary, for each system that has
19 accepted the provisions of this paragraph, the board, in consultation
20 with the commission, shall prepare a funding schedule which shall
21 reflect the costs and the actuarial liabilities attributable to the cost of
22 living allowance that may be paid in accordance with the provisions
23 of this paragraph and said schedule shall be designed to reduce the
24 applicable retirement system’s pension liability to zero by such year,
25 that may be subsequent to June 30, 2028, as approved by the com-
26 mission. The board shall file revised funding schedules triennially
27 with the joint committee on public service until such costs and liabil-
28 ities are reduced to zero.

1 SECTION 5. The provisions of Sections one and three of this act
2 shall take effect for cost of living adjustments to be made, in accor-
3 dance with the provisions of Section 102 of said Chapter 32, com-
4 mencing July 1, 2007